

DETAILS OF CONSOLIDATED FUND RECEIPTS AND EXPENDITURE AND OUTPUT EXPENDITURE FOR THE QUARTER ENDED 31 DECEMBER 1999

The Quarterly Statement is prepared in accordance with section 25 of the *Financial Management and Audit Act 1990* which requires the publication, on a quarterly basis, of a Statement of the Consolidated Fund. This Statement is to be published within one month of the end of the quarter.

Included as a supplement are additional details in respect of receipts and payments of the Consolidated Fund at a more disaggregated level. A summary, by Division, of expenditure on an Output Group basis is also provided.

The Output methodology encourages consideration of the full cost of the Government's Outputs, and allows for the focus of attention to be shifted to the total Government resourcing of Outputs within the Public Account. The methodology focuses on the total resources available to a Department to produce its Outputs, of which the Consolidated Fund is one of the sources of funding.

CONSOLIDATED FUND

The Consolidated Fund contributes to the operations of all on-Budget departments, is the source of funding for Reserved by Law payments, and may make some contribution to the operations of off-Budget entities. The Fund receives all State taxation revenue, the majority of Commonwealth payments to Tasmania, territorial revenue and certain other classes of revenue.

There are two types of expenditure from the Consolidated Fund:

- Recurrent Services expenditure that meets the cost of the ordinary annual services provided by the Government; and
- Works and Services expenditure which provides for the construction, purchase and maintenance of major capital assets such as roads, public housing, schools and hospitals.

VARIANCE REPORTING

Reporting on variances between estimates and actual results is subject to guidance contained in Australian Accounting Standard AAS 5 "Materiality" (AAS 5).

While AAS 5 provides guidance on quantitative thresholds, situations will arise whereby it is appropriate to report on variances for qualitative, public interest, or other reasons to ensure potential users of the report are fully informed on activities for the reporting period. As a general rule no explanations have been made where the variance is less than 10 per cent.

A major factor influencing the outcome for the reporting period is the timing of financial transactions processed through the Consolidated Fund. Care should therefore be taken when making comparisons based solely on the cash transactions for the reporting period with annual budgeted estimates.

Table 1: Consolidated Fund Net Financing Requirement

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
Receipts			
Recurrent Receipts	2 057 695	947 299	46.0
Capital Receipts	58 130	22 602	38.9
Total Receipts	2 115 825	969 901	45.8
Expenditure			
Recurrent Expenditure	1 969 513	1 050 496	53.3
Capital Expenditure	145 768	53 326	36.6
Total Expenditure	2 115 281	1 103 822	52.2
<i>Net Financing Requirement</i>	<i>(544)</i>	<i>133 921</i>	<i>N/A</i>

1999-00 NET FINANCING REQUIREMENT

The budgeted Net Financing Requirement (NFR) for 1999-00 is a surplus of \$0.5 million. The actual NFR for the quarter ended 31 December 1999 is a deficit of \$133.9 million which has been funded by a reduction in the Government's cash reserves.

A major factor influencing the half year outcome is the timing of receipts and expenditure transactions through the Consolidated Fund. The NFR outcome is normal for this time of the financial year and there are no major factors which will preclude achievement of the budgeted outcome.

Table 2: Statement of the Consolidated Fund for the Quarter Ended 31 December 1999

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
RECEIPTS			
Recurrent Receipts			
<i>Commonwealth Sources</i>			
General Purpose Payments	800 010	381 521	47.7
Specific Purpose Payments	293 825	139 688	47.5
	1 093 835	521 209	47.6
<i>State Sources</i>			
Taxation	686 804	340 932	49.6
Receipts from Government Business Enterprises, State-owned Companies and State Authorities	127 581	35 129	27.5
Departmental Fees and Recoveries	77 720	31 888	41.0
Recoveries of State Debt Charges	22 411	5 083	22.7
Sale and Rent of Government Property	15 870	254	1.6
Resource Rents and Royalties	12 867	6 779	52.7
Other Recurrent Receipts	20 607	6 025	29.2
	963 860	426 091	44.2
Total Recurrent Receipts	2 057 695	947 299	46.0
Capital Receipts			
<i>Commonwealth Sources</i>			
Special Purpose Payments	57 342	22 182	38.7
<i>State Sources</i>			
Capital Repayments	788	420	53.3
Total Capital Receipts	58 130	22 602	38.9
TOTAL RECEIPTS	2 115 825	969 901	45.8
EXPENDITURE			
Recurrent Expenditure	1 969 513	1 050 496	53.3
Capital Expenditure	145 768	53 326	36.6
TOTAL EXPENDITURE	2 115 281	1 103 822	52.2
NET FINANCING REQUIREMENT	(544)	133 921	N/A
Financed By:			
Reduction in Cash Reserves	....	134 606	N/A
Borrowing from Tascorp	2 274	....	N/A
Less Loan Repayments	2 818	685	N/A
	(544)	133 921	N/A

Note : For details of major categories of revenue and expenditure refer to supplementary tables.

RECEIPTS

Table 3: Commonwealth Specific Purpose Recurrent Receipts

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
COMMONWEALTH PAYMENT TOWARDS -			
<i>Health and Human Services</i>			
Commonwealth State Housing Agreement	14 592	6 368	43.6
Health Care Grant	128 510	61 644	48.0
Blood Transfusion Service	1 495	799	53.5
Home and Community Care Program	13 322	6 583	49.4
Supported Accommodation Assistance Program	5 566	2 728	49.0
Public Health Outcomes Funding Agreement	3 931	2 387	60.7
National Child Care Strategy	195	....	....
Disability Services Grant	13 465	6 774	50.3
High Cost Drugs	4 850	2 501	51.6
<i>Education</i>			
Primary and Secondary Education	35 988	15 901	44.2
Technical and Further Education	18 950	10 140	53.5
<i>Primary Industries, Water and Environment</i>			
World Heritage Area	5 000	....	....
<i>Police and Public Safety</i>			
Natural Disasters Organisations	191	138	72.3
<i>Treasury and Finance</i>			
Assistance for Concessions	4 940	2 466	49.9
Grant to the State for Local Government	42 830	21 257	49.6
TOTAL COMMONWEALTH SPECIFIC PURPOSE RECURRENT RECEIPTS	293 825	139 688	47.5

Table 4: State Taxation Receipts

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
Land Tax	26 068	13 529	51.9
Motor Taxation	41 210	19 325	46.9
Payroll Tax	212 713	107 035	50.3
Financial Transaction Taxes			
Financial Institutions Duty	22 811	11 321	49.6
Stamp Duties	127 149	70 718	55.6
Franchise Fees and Levies			
Electricity Entities Levy	14 892	4 064	27.3
Safety Net Revenue	169 832	82 750	48.7
Gambling Taxes			
Casino Tax and Licence Fees	43 624	19 314	44.3
Lottery Tax	20 918	9 075	43.4
Racing and Gaming Taxes	7 527	3 788	50.3
Other			
Sundry Licences	60	13	21.6
TOTAL STATE TAXATION RECEIPTS	686 804	340 932	49.6

MAJOR VARIATIONS - RECEIPTS

The timing of receipts paid into the Consolidated Fund is such that a comparatively greater proportion of receipts is collected in the later part of the year. Total receipts for the six months to 31 December 1999 were \$969.9 million, 45.8 per cent of Budget.

Receipts from Government Business Enterprises, State-owned Companies and State Authorities

Receipts from Government Business Enterprises, State-owned Companies and State Authorities as at 31 December 1999 were \$35.1 million, 27.5 per cent of Budget. An estimated 60 per cent of these receipts are received in the June quarter.

Recoveries of State Debt Charges

Recoveries of State Debt Charges as at 31 December 1999 were \$5.1 million, 22.7 per cent of Budget. The majority of recoveries under this item are received in the June quarter.

Other Recurrent Receipts

Other Recurrent Receipts as at 31 December 1999 were \$6.0 million, 29.2 per cent of Budget. The majority of receipts under this item are received in the last quarter of the financial year.

EXPENDITURE

Table 5: Consolidated Fund Expenditure

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget % %
Department of Education			
Recurrent Expenditure	557 666	304 132	54.5
Capital Expenditure	20 133	9 568	47.5
Total	577 799	313 700	54.3
Finance-General			
Recurrent Expenditure	334 999	143 841	42.9
Capital Expenditure	....	....	....
Total	334 999	143 841	42.9
Health and Human Services			
Recurrent Expenditure	600 083	370 106	61.7
Capital Expenditure	25 142	10 820	43.0
Total	625 225	380 927	60.9
House of Assembly			
Recurrent Expenditure	4 286	2 124	49.6
Capital Expenditure	....	....	....
Total	4 286	2 124	49.6
Infrastructure, Energy and Resources			
Recurrent Expenditure	86 475	46 753	54.1
Capital Expenditure	86 616	30 854	35.6
Total	173 091	77 607	44.8
Justice and Industrial Relations			
Recurrent Expenditure	50 860	29 293	57.6
Capital Expenditure	94	66	69.9
Total	50 954	29 359	57.6
Legislative Council			
Recurrent Expenditure	3 056	1 576	51.6
Capital Expenditure	....	....	....
Total	3 056	1 576	51.6
Legislature-General			
Recurrent Expenditure	3 473	1 953	56.2
Capital Expenditure	330	82	25.0
Total	3 803	2 035	53.5

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
Ministerial and Parliamentary Support			
Recurrent Expenditure	10 359	5 463	52.7
Capital Expenditure	....	....	....
Total	10 359	5 463	52.7
Office of the Governor			
Recurrent Expenditure	1 823	889	48.8
Capital Expenditure	278	60	21.7
Total	2 101	949	45.2
Police and Public Safety			
Recurrent Expenditure	101 460	54 706	53.9
Capital Expenditure	1 022	332	32.5
Total	102 482	55 038	53.7
Premier and Cabinet			
Recurrent Expenditure	17 948	9 497	52.9
Capital Expenditure	....	....	....
Total	17 948	9 497	52.9
Primary Industries, Water and Environment			
Recurrent Expenditure	87 634	42 595	48.6
Capital Expenditure	1 941	265	13.7
Total	89 575	42 860	47.8
State Development			
Recurrent Expenditure	79 641	26 212	32.9
Capital Expenditure	2 111	602	28.5
Total	81 752	26 814	32.8
Tasmanian Audit Office			
Recurrent Expenditure	230	110	47.7
Capital Expenditure	....	....	....
Total	230	110	47.7
Treasury and Finance			
Recurrent Expenditure	29 520	11 247	38.1
Capital Expenditure	8 101	676	8.3
Total	37 621	11 923	31.7
TOTAL	2 115 281	1 103 822	52.2

MAJOR VARIATIONS - EXPENDITURE

Total expenditure for the six months to 31 December 1999 was \$1 103.8 million, 52.2 per cent of Budget.

Recurrent Services

Health and Human Services

Expenditure is above pro rata Budget due to the timing of Administered Payments to Non-Government Organisations with a greater number of grants being payable in the first half of the financial year than the second half.

State Development

Expenditure is below pro rata Budget due to the timing of Administered Payments in the Industry Development and Assistance area and the timing of rental payments on the Department's office space.

Treasury and Finance

Expenditure is below pro rata Budget due to the timing of payments for a number of major projects, such as Basslink, which will be made during the second half of the financial year.

Table 6: Output Group Expenditure

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
Department of Education			
Delivery of Education Services	434 383	227 577	52.4
Delivery of Vocational Education and Training	65 914	38 642	58.6
Delivery of Information Services	22 333	11 157	50.0
Strategic Development and Evaluation Services	14 522	10 199	70.2
Administered Payments	98 611	61 739	62.6
Capital Investment Program	21 070	9 998	47.4
Total	656 833	359 311	54.7
Finance-General			
Debt Servicing and Management	274 571	81 104	29.5
Employee Related Costs	141 434	61 840	43.7
Government Business Enterprises	5 522	1 502	27.2
Miscellaneous	66 084	26 554	40.2
Administered Payments	260 252	134 101	51.5
Total	747 863	305 101	40.8
Health and Human Services			
Health Advancement	36 121	19 193	53.1
Community and Rural Health	139 728	74 569	53.3
Child, Youth and Family Support	21 622	11 482	53.1
Hospitals and Ambulance Service	363 872	179 144	49.2
Housing Services	73 213	33 063	45.2
Administered Payments	102 301	68 760	67.2
Capital Investment Program	32 102	15 952	49.7
Total	768 959	402 164	52.3
House of Assembly			
House of Assembly Support Services	1 693	841	49.7
Payments Administered by the House of Assembly	2 593	1 283	49.5
Total	4 286	2 124	49.6
Infrastructure, Energy and Resources			
Development of Transport Policy Advice and Planning	2 214	867	39.2
Land Transport Safety Programs	19 452	8 554	44.0
Provision of Transport Services and Infrastructure	6 528	3 314	50.8
Provision of Energy Advisory and Regulatory Services	438	170	38.8
Workplace Standards	11 291	5 102	45.2
Mineral Resources Management and Administration	4 887	2 937	60.1
Support for the Minister in Infrastructure Development and Business Management	758	206	27.1
Support for Racing Industry	....	353	....
Administered Payments	195 041	107 808	55.3
Capital Investment Program	86 966	31 114	35.8
Total	327 575	160 426	49.0

	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
Justice and Industrial Relations			
Administration of Justice	18 499	10 987	59.4
Legal Services	5 898	3 745	63.5
Registration Services	588	466	79.2
Review Services	1 589	895	56.3
Electoral Services	1 879	1 019	54.3
Corrective Services	21 126	12 779	60.5
Other Services	553	322	58.3
Consumer Services	2 237	1 341	60.0
Industrial Relations Services	3 828	1 908	49.8
Administered Payments	6 850	2 009	29.3
Capital Investment Program	94	87	92.3
Total	63 141	35 560	56.3
Legislative Council			
Legislative Council Support Services	1 331	712	53.5
Payments Administered by the Legislative Council	1 725	885	51.3
Total	3 056	1 597	52.3
Legislature-General			
Parliamentary Reporting Service	732	359	49.0
Parliamentary Library Service	535	222	41.6
Parliamentary Printing and Systems	551	335	60.8
Joint Services	1 768	1 066	60.3
Administered Payments	59	55	92.5
Capital Investment Program	438	200	45.7
Total	4 083	2 237	54.8
Ministerial and Parliamentary Support			
Support for Members of Parliament	10 664	5 522	51.8
Total	10 664	5 522	51.8
Office of the Governor			
The Office of the Governor	1 823	889	48.8
Capital Investment Program	278	60	21.7
Total	2 101	950	45.2
Police and Public Safety			
Policing Support to the Community	60 552	31 242	51.6
Crime Detection and Investigation	21 221	11 360	53.5
Traffic Law Enforcement and Road Safety	11 301	5 956	52.7
Protection of Primary Industry and Fisheries Resources	4 949	2 261	45.7
Emergency Management	1 346	814	60.5
Support to Judicial Services	6 262	3 301	52.7
Ministerial Support and Information Services	3 126	1 525	48.8
Administered Payments	360	275	76.4
Capital Investment Program	1 022	47	4.6

Total	110 139	56 783	51.6
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	Budget Estimate 1999-00 \$'000	December YTD 1999-00 Actual \$'000	December YTD 1999-00 Actual to Budget %
Premier and Cabinet			
Support for Executive Decision Making	3 056	1 421	46.5
Support for Administration of Executive Government	3 220	1 842	57.2
Support for Government Agencies	27 787	14 214	51.2
Support for the Public Sector Employer	1 911	822	43.0
Aboriginal Affairs	478	282	59.0
Multicultural and Ethnic Affairs	218	107	49.0
Support for Local Government	789	493	62.5
Women Tasmania	1 014	409	40.3
Administered Payments	29 189	12 499	42.8
Total	67 662	32 089	47.4
Primary Industries, Water & Environment			
Information and Land Services	27 384	12 985	47.4
Food, Agriculture and Fisheries Services	30 397	12 079	39.7
Resource Management and Conservation	44 149	25 396	57.5
Environment Protection, Planning and Analytical Services	16 146	7 919	49.0
Administered Payments	205 454	115 927	56.4
Capital Investment Program	2 601	255	9.8
Total	326 131	174 560	53.5
State Development			
Investment Trade and Development	8 206	3 117	38.0
State Industries	5 236	2 394	45.7
Centre for Research Industry and Strategic Planning	1 793	879	49.0
Tourism Marketing and Development	28 302	13 360	47.2
Cultural, Heritage and Recreation Industry Development	7 818	4 517	57.8
Administered Payments	101 238	17 643	17.4
Capital Investment Program	2 566	1 007	39.2
Total	155 159	42 917	27.7
Tasmanian Audit Office			
Public Sector Management and Accountability	2 948	1 327	45.0
Total	2 948	1 327	45.0
Treasury and Finance			
Management of Public Sector Finances	5 844	2 498	42.7
Policy Advice on Tasmania's Economy and Business Environment	12 384	3 169	25.6
Public Sector Management and Accountability	543	290	53.4
Taxation Administration and Revenue Collection	6 430	2 911	45.3
Management of Gaming Activities	2 440	1 138	46.6
Liquor and Accommodation Licensing	1 431	721	50.4
Management of Government Owned and Leased Buildings	1 242	3 077	247.8
Government Procurement and Disposal	15 052	17 410	115.7
Administered Payments	30 279	5 982	19.8

Capital Investment Program	8 101	676	8.3
Total	83 746	37 872	45.2

MAJOR VARIATIONS - OUTPUT GROUP EXPENDITURE

Expenditure in some Output Groups within Departments is significantly below or above pro rata Budget. These variations largely reflect the timing of payments made by agencies in relation to these Output Groups. For example, expenditure on the Capital Investment Program and Administered Payments generally accord with the timing of major projects and specific grants programs.

Education

Expenditure for the Administered Payments Output Group is above pro rata Budget due to the timing of grant payments, the majority of which occurred in the first half of the financial year. This is in line with estimated cash flows, and the final result is not expected to vary from the Budget estimate.

Finance-General

Expenditure for the Debt Servicing and Management Output Group is below pro rata Budget mainly due to the timing of payments, the majority of which are made during the second half of the financial year.

Health and Human Services

Expenditure for the Administered Payments Output Group is above pro rata Budget due to the timing of grants to Non-Government Organisations with a greater number of grants being payable in the first half of the financial year than the second half.

Infrastructure, Energy and Resources

The Capital Investment Program relates primarily to the Roads Program. Expenditure is below pro rata Budget as the majority of work is scheduled to occur in the second half of the financial due to seasonal factors.

Justice and Industrial Relations

Expenditure for the Legal Services Output Group is above pro rata Budget due to timing of legal costs associated with engaging counsel.

Expenditure for the Corrective Services Output Group is above pro rata Budget due to an increase in the prison population causing an increase in associated expenditure in the security and maintenance of the prisoners.

Expenditure for the Administered Payments Output Group is below pro rata Budget due to lower than expected levels of payments from the Criminal Injuries Compensation Fund and the Supreme Court Suitors Fund Accounts.

Primary Industries, Water and Environment

Expenditure for the Food, Agriculture and Fisheries Services Output Group is below pro rata Budget due to delays in the commencement of a number of externally funded projects and timing issues in the disbursement of FarmBiz expenditure.

State Development

Expenditure for the Investment, Trade and Development Output Group is below pro rata Budget due mainly to the timing of trade shows and trade missions. It is anticipated that these funds will be expended in the second half of the financial year. In addition, a number of charges relating to loan portfolio administration have not yet been incurred.

Expenditure on the Administered Payments Output Group is below pro rata Budget due to the timing of payments for Industry Development grants and subsidies which are not payable until the end of the financial year. Also, there are timing factors relating to costs associated with the payments to suppliers of travel services for bookings made through mainland travel centres and Tasmania's Temptations.

Treasury and Finance

Expenditure for the Policy and Advice on Tasmania's Economy and Business Environment Output Group is below pro rata Budget due mainly to the timing of payments in relation to projects, such as Basslink. A number of major payments will be made during the second half of the financial year.

Expenditure for the Management of Government Owned and Leased Buildings Output Group is above pro rata Budget due to the inclusion of expenditure associated with the Property Tasmania Unit. This Unit was transferred to Treasury after the 1999-2000 Budget was framed, and therefore the original Budget estimates do not include expenditure for Property Tasmania.

Expenditure for the Government Procurement and Disposals Output Group is above pro rata Budget as a result of the sale of the Government's light vehicle fleet to the private sector not being finalised.

Expenditure for the Administered Payments Output Group is below pro rata Budget as a result of the transfer of responsibility for office accommodation leases being progressively transferred from the Department of Treasury and Finance to other Government agencies. Payments of rent for these leases are now made by agencies direct to the landlord.

Expenditure for the Capital Investment Program is below pro rata Budget due to the fire at 34 Davey Street in September 1999. Following the fire, essential maintenance expenditure was suspended pending an assessment of the costs that would be incurred to rectify the damage. Office works and essential maintenance expenditure generally occur in the second half of the financial year.